# **FISCAL NOTE**

## SB 468 - HB 1811

April 11, 2001

### **SUMMARY OF BILL:**

- Authorizes the state insurance committee to request, examine, and review any and all contracts and subcontracts that the administrator or insurer for the state employee group insurance plan may have with health care providers.
- Authorizes the state insurance committee to require administrators or insurers for the state employee group insurance plan to include additional health care providers and specialized health care providers in all contracts and subcontracts it may have, that provide services to state employees.

#### **ESTIMATED FISCAL IMPACT:**

Other Fiscal Impact - Impact depends on whether provisions contained in the bill reduces the number of insurance related companies that compete for the right to administer the state employee's health insurance plan. The impact cannot be determined, but is estimated to be not significant, assuming the state does not take action to require a significant number of providers be added to health insurance companies' networks, that are involved in administering the state employee's health insurance plan.

For information purposes, health care provider networks, that provide service to state employee's, usually are also used in commercial insurance applications and may have exclusivity clauses applicable on a county or multicounty basis for the purpose of acquiring better prices for health care services. Requiring the addition of providers to this network may impact the cost to the insurance company to acquire health care provider services.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

James a Lavenge